Abstract

The debate on the export model in Mexico: the experience of the Automotive industry. Is a sustainable model?

Jorge Carrillo, COLEF

This work aims to discuss the benefits and problems associated with industrialization model for export in emerging countries. The export model in Mexico has been established 50 years ago and has been a success. It started with the so-called maquiladora industry in the northern border and from the 90 years in the last century, auto parts companies have been located. Later assembler firms established plants in green field sites closed to the US-Mexican border, and years later, the rest of OEMs began a dual strategy: a small portion of their production goes to the domestic market and a big portion goes to the export market.

Several critics of this model have been disseminated since the beginning: high dependence on decisions made from corporates, high dependence on economic cycles in the United States, poor national integration, weak embedded in the regional ecosystems where they interact, and competitiveness based on relatively cheap labor.

On the other hand, this model has developed high technological and organizational firm capabilities, has fostered the development of an export vocation in the northern regions of Mexico, has enabled great dynamism in employment, it has developed a continuous learning human resources, and it has allowed economic development.

This debate will be reviewed in the light of the evolution of various export companies established in Mexico.